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May 5, 2011

VIA E-FILING

The Honorable Cynthia Brown
Chief of the Section of Administration
Surface Transportation Board
395 E. Street, S.W.
Washington, DC 20423-0001

ENTERED
Office of Proceedings

MAY 5 2011

Part of
Public Record

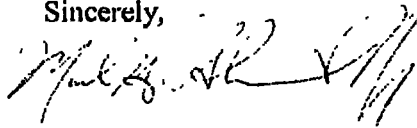
Re: Abandonment Exemption to Abandon Operations and Discontinue Service of the Capitol Drive Industrial Lead from M.P. 92.21 the Shoreline Connection to the end of the Line at M.P. 89.13 south of Hampton Avenue, a distance of 3.08 miles in Milwaukee County, Wisconsin; STB Docket No. AB-33 (Sub-No. 268X)

Dear Ms. Brown:

Union Pacific Railroad Company ("Union Pacific") has received a motion from the Wisconsin Department of Transportation, (the "WIS DOT") on behalf of County of Milwaukee, Wisconsin, seeking to extend the negotiation period covering the issuance of a Certificate or Notice of Interim Trail Use pursuant to 16 U.S.C. § 1247(d) and 49 C.F.R. § 1152.29 for the portion of the Union Pacific's Capitol Drive Industrial Lead located in the City from Milepost 92.21, the Shoreline Connection to the end of the Line at Milepost 89.13 south of Hampton Avenue, a distance of 3.08 miles in Milwaukee County, Wisconsin.

The Union Pacific is willing to extend the negotiation period with the WIS DOT concerning the acquisition of the subject property for trail use and supports the WIS DOT's request to extend the negotiation period for an additional 180 days to November 29, 2011. A copy of the WIS DOT's motion for extension is attached hereto as **Exhibit A** and hereby made a part hercof.

Sincerely,



Attachment

cc: Wisconsin Department of Transportation

2011_05_05 STB 180 Day Ext.doc



EXHIBIT A

**BEFORE THE
SURFACE TRANSPORTATION BOARD
AB-33 (SUB-NO. 268X)
UNION PACIFIC RAILROAD. --
NOTICE OF EXEMPTION FOR ABANDONMENT--
IN MILWAUKEE COUNTY, WISCONSIN**

**COUNTY OF MILWAUKEE, WISCONSIN
MOTION TO EXTEND TIME TO
NEGOTIATE A NOTICE OF INTERIM TRAIL USE**

BACKGROUND

On service date June 11, 2009, the Surface Transportation Board (the Board) served notice that the Union Pacific Railroad Company (UP) filed with the Surface Transportation Board a Notice of Exemption pursuant to 49 U.S.C. § 10502 and the Board's regulations at 49 C.F.R. 1152 Subpart F -- Exempt Abandonments to abandon a 3.08-mile line of railroad known as the Capitol Industrial Lead, from milepost 92.21, the Shoreline connection, to the end of the line at milepost 89.13, south of Hampton Avenue in the northeast area of Milwaukee, in Milwaukee County, WI. This portion of the line traverses United State Postal Service Zip Codes 53209, 53211, 53212 and 53217.

On May 11, 2009, the County of Milwaukee (CMW) signed a Statement of Willingness to Accept Financial Responsibility pursuant to 49 C.F.R. § 1152.29 for the segment of UP railroad from milepost 92.21 to milepost 89.13, a total of approximately 3.08 miles.

The Board granted an NITU under 16 U.S.C. 1247(d), which was served on June 12, 2009, allowing CMW until December 9, 2009, to negotiate a rail banking agreement with UP.

The Milwaukee County Board of Supervisors expressed its commitment to the acquisition of the subject corridor in 2009 through its authorization to submit a Federal Transportation Program grant application that seeks funding assistance for the acquisition of rights to the subject corridor and for development of a multiple-use trail therein.

Negotiations with the UP Railroad were delayed due to extenuating circumstances as a County-wide budget shortfall, which temporarily diverted attention away from numerous County initiatives, including the proposed trail development within the UP Rail corridor. Milwaukee County is still very interested in acquiring rights to the subject corridor and proceeding with the development of a trail facility therein.

The funding request submitted by the County to the Congestion Mitigation and Air Quality Improvement Program, administered by Federal Highways Administration and WisDOT, was granted and the award will be sufficient to allow the consummation of this project. The County is now engaging in the requisite federal acquisition process to comply with the award conditions, but the process is complex and requires additional time. Milwaukee County and the Union Pacific continue in productive discussions.

Milwaukee County has been awarded a Federal Transportation grant to acquire the subject corridor. Milwaukee County will continue to move forward with its negotiations with the railroad upon receipt of a formal project agreement for expending the federal grant monies. Although the Wisconsin Department of Transportation, the agency responsible for administering federal transportation grants in Wisconsin, has indicated that the agreement would be ready by the middle of May 2011, it is not envisioned that the weeks remaining in the current negotiation period would be sufficient to consummate the transfer of the subject

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railroad corridor.

MOTION

Therefore, CMW moves that the period prescribed to negotiate an interim trail use/rail banking agreement be extended for 180 days for the rail corridor between milepost 92.21 to milepost 89.13, a total of approximately 3.08 miles in the City of Milwaukee, in Milwaukee County, Wisconsin.

Respectfully submitted,

Kathleen Chung

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05/03/11

CERTIFICATE OF SERVICE

I hereby certify that I have caused the foregoing cover letter in regards to AB33
(Sub-No. 268X), by electronic mail or regular mail, pursuant to 49 C.F.R. §1104.12, this
3rd day of May 2011, on all parties of record on the service list.

Kathleen Chung

Kathleen Chung, Attorney
State Bar no. 1032802
Wisconsin Department of Transportation
Office of General Counsel